

Northeast Dairy Compact Commission

§ 1306.1

handler's partially regulated plants separately by allocating the handler's receipts of fluid milk products to the handler's utilization pursuant to paragraphs (a) through (c) of this section.

(a) Subtract from the total pounds of fluid milk products in Class I the pounds of fluid milk products in:

(1) Receipts of Class I fluid milk products from pool plants if reported and classified Class I by the pool plant;

(2) Disposition of Class I fluid milk products outside of the regulated area;

(3) Receipts of exempt fluid milk products pursuant to Section 1301.13 (a), (b), and (c) of this chapter.

(b) The quantity of producer milk in Class I shall be the combined pounds of fluid milk product remaining in Class I, not to exceed the total pounds of fluid milk products disposed of in the regulated area.

(c) Producer milk will be allocated pursuant to paragraph (b) of this section in the following manner:

(1) Receipts from producers located in the regulated area;

(2) Receipts of diverted pool milk;

(3) Receipts from producers not located in the regulated area shall then be assigned to any remaining Class I in the regulated area.

[62 FR 29643, May 30, 1997, as amended at 62 FR 62825, Nov. 25, 1997]

PART 1305—CLASS PRICE

Sec.

1305.1 Compact over-order class I price and compact over-order obligation.

1305.2 Announcement of compact over-order class I price and compact over-order obligation.

1305.3 Equivalent price.

AUTHORITY: 7 U.S.C. 7256.

SOURCE: 62 FR 29644, May 30, 1997, unless otherwise noted.

§ 1305.1 Compact over-order class I price and compact over-order obligation.

The compact over-order Class I price per hundredweight of milk shall be as follows:

(a) The class I price shall be \$16.94 per hundredweight.

(b) The compact over-order obligation shall be computed as follows:

(1) The compact Class I price (\$16.94);

(2) Deduct Federal Order #1 Zone 1, Class I price;

(3) The remainder shall be the compact over-order obligation.

[62 FR 62825, Nov. 25, 1997]

§ 1305.2 Announcement of compact over-order class I price and compact over-order obligation.

The compact commission shall announce publicly on or before the 5th day of each month the Class I over-order price and the compact over-order obligation for the following month.

§ 1305.3 Equivalent price.

If, for any reason, a price specified in this part for use in computing class prices or for other purposes is not reported or published in the manner described in this part, the compact commission shall use one determined by the commission to be equivalent to the price that is specified.

PART 1306—COMPACT OVER-ORDER PRODUCER PRICE

Sec.

1306.1 Handler's value of milk for computing basic over-order producer price.

1306.2 Partially regulated plant operator's value of milk for computing basic over-order producer price.

1306.3 Computation of basic over-order producer price.

1306.4 Announcement of basic over-order producer price.

AUTHORITY: 7 U.S.C. 7256.

SOURCE: 62 FR 29644, May 30, 1997, unless otherwise noted.

§ 1306.1 Handler's value of milk for computing basic over-order producer price.

For the purpose of computing the basic over-order producer price, the compact commission shall determine for each month the value of milk of each handler with respect to each of the handler's pool plants and of each handler described in § 1301.9 (d) of the chapter with respect to milk that was not received at a pool plant, as directed in this section. Any pool plant that does not exceed a daily average of 300 quarts of disposition in the compact regulated area in the month shall not be subject to the compact over-order

obligation. The total assessment for each handler is to be calculated by multiplying the pounds of Class I fluid milk products as determined pursuant to § 1304.1 (a) by the compact over-order obligation.

[62 FR 62826, Nov. 25, 1997]

§ 1306.2 Partially regulated plant operator's value of milk for computing basic over-order producer price.

For the purpose of computing the basic over-order producer price, the compact commission shall determine for each month the value of milk disposition in the regulated area by the operator of a partially regulated plant as directed in this section. Any partially regulated plant that does not exceed a daily average of 300 quarts of disposition in the compact regulated area in the month shall not be subject to the compact over-order obligation. The total assessment for each handler is to be calculated by multiplying the pounds of Class I fluid milk products as determined pursuant to § 1304.1 (a) of this chapter by the compact over-order obligation.

[62 FR 62826, Nov. 25, 1997]

§ 1306.3 Computation of basic over-order producer price.

The compact commission shall compute the basic over-order producer price per hundredweight applicable to milk received at plants as follows:

(a) Combine into one total the values computed pursuant to § 1306.1 and § 1306.2 of this chapter for all handlers from whom the compact commission has received at the Compact Commission's office prior to the 9th day after the end of the month the reports for the month prescribed in § 1303.1 and the payments for the preceding month required under § 1307.3 (a) of this chapter.

(b) Subtract 3% of the total value computed pursuant to paragraph (a) above for the purpose of retaining a reserve for WIC pursuant to the Formal Agreement for reimbursement of WIC Program costs entered into between the Commission and the six New England State WIC Program Directors, as approved by the Food and Consumer Service of the United States Department of Agriculture (USDA);

(c) In any month when the average percentage increase in production in the regulated area comes within 0.25 of the average percentage increase in production for the nation, subtract from the total value computed pursuant to paragraph (a) above, for the purpose of retaining a reserve, an amount estimated by the Commission in consultation with the USDA for anticipated costs to reimburse the Commodity Credit Corporation (CCC) at the end of its fiscal year for any surplus milk purchases. Should those funds not be needed because no surplus purchases were made by the CCC at the end of its fiscal year, it is to be disbursed as follows:

(1) Any producer who has received payment from a handler pursuant to § 1307.4 shall become eligible to receive a pro rata disbursement by submitting to the Commission documentation that the producer did not increase production of milk during and after the month on which the regional rate of production increase met or exceeded the national rate of production increase, as compared to the same period in the preceeding year. Such documentation shall be filed with the Commission not later than 45 days after the end of the fiscal year.

(2) The Commission shall calculate the amount of refund to be provided to each eligible producer by taking into account the total amount of retained proceeds, the total production of milk by all producers eligible for refunds, and the total amount of production by each eligible producer.

(d) Beginning with the August 1998 pool, subtract from the total value computed pursuant to paragraph (a) of this section, an amount estimated by the Commission for the purpose of retaining a reserve for payment of obligations pursuant to § 1301.13(e) of this chapter. Surplus funds from this reserve shall be returned to the producer-settlement fund.

(e) Add an amount equal to not less than one-half of the unobligated balance of the producer-settlement fund at the close of business on the 8th day after the end of the month;

(f) Divide the resulting amount by the sum of the following for all handlers included in these computations: